

FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD

MEETING MINUTES

October 16, 1998

**WestCoast SeaTac Hotel - Seattle Room
SeaTac, Washington**

Board members present were Chairman Dan O'Neal, Ms. Patricia Otley, Mr. Don Lemmons, Mr. Cliff Benson, Ms. Carol Moser, Mr. David Kalberer, Ms. Mary Seubert, Ms. Jennifer Joly, Mr. Sid Morrison, Mr. Jim Toomey, and Acting Executive Director Mr. Dennis Ingham. Board members absent were Mr. Bob Edwards and Ms. Barbara Cothorn.

WELCOME AND INTRODUCTIONS: Chairman Dan O'Neal welcomed the Board to the October 16, 1998, meeting.

MINUTES: An amendment was made to the minutes, to "adopt a preliminary budget with an addition of a new line for board travel and reasonable expenses."

Ms. Seubert moved, Ms. Moser seconded, to approve the minutes as amended from the September 18, 1998 meeting.

BUDGET: Ms. Helga Morgenstern presented the Board with the 99-01 FMSIB Administrative Budget. This budget includes the Executive Director, the Confidential Secretary, travel, and expenses for the start up of a new agency for a total of \$1.1M. This budget may need to be supplemented to include costs for administering grants and projects if dollars are allocated in the 1999 legislative session. For travel there are two line items: 1) the Executive Director travel and, 2) the Board travel and reasonable expenses. The Board travel and reasonable expenses are dependent upon legislative action.

Mr. Morrison moved, Ms. Seubert seconded, to adopt the proposed budget for the coming biennium.

CURRENT EXPENDITURES: Mr. Dennis Ingham stated that the consultant contracts for both Lund Consulting and ECONorthwest are signed.

SUBCOMMITTEE REPORTS:

Executive Director - Mr. Cliff Benson announced the interviews for the Executive Director would be on November 2, 1998. The interview panel will consist of Ms. Barbara Cothorn, Mr. Cliff Benson, Ms. Jennifer Joly, and Chairman Dan O'Neal.

State Share - Mr. Dennis Ingham introduced Mr. Dan Malarkey of ECONorthwest. Mr. Malarkey and the Board will be working together to determine a process to be applied to the prioritized list. The Board will use the process and other contributing factors to decide the FMSIB program funds that should be contributed to each project. These

projects benefit the state, the local businesses, and the workers in Washington. They also benefit the consumers who count on the economic activity in the state. Overall these projects assist the movement of freight to travel more efficiently.

Using a generic process Mr. Malarkey suggested some items to consider: the project costs, the requested state funding share, the daily truck hours of delay, and the daily hours saved for other vehicles.

There was discussion on back-haul and direct verses indirect benefits. Currently there isn't sufficient data to determine all the impacts. However, the Board can suggest that this is an area needing further review for future project submittals. The Board needs to look closer at some of these elements to characterize the back-haul issue.

Mr. Toomey stated that the applicants had already been asked certain quantifiable questions about impacts on trucks, impacts on passenger vehicles, and local costs. He said that the state cares about those impacts, but there are also the other impacts that are currently not quantified on the list of projects. The Board needs to develop a logical thought process to utilize what the state share percentage will be.

It was suggested to separate the projects in geographic areas first, then apply the cost/benefit scenario. However, that appeared to be applying different criteria because of a project's location. The Board will need to ensure a uniform approach so all projects are treated the same. There was also a concern that eastern Washington projects to not have the availability of additional partners. This will need to be reviewed as the Board works with the state share process.

The most the state will contribute to a project is the amount the agency requested on the project application. This does not mean that each project will get the maximum funding that is requested. Funding for projects depends on the Board and where the projects fall on the priority list. After the Board decides the amount they are willing to contribute to a project, it will then be up to the agency to determine if they have the additional funds to move the project forward. FMSIB funds will not be distributed until this commitment with the agency is made.

Chairman O'Neal suggested Mr. Malarkey meet with the subcommittee and any other members interested before the November meeting to develop a systematic approach for determining the funding for the projects. The state share subcommittee members are Mr. Bob Edwards, Ms. Carol Moser, Mr. David Kalberer, Ms. Pati Otley, and Mr. Don Lemmons. Mr. Ingham reminded the Board that the list will be forwarded to the Legislature in January.

TRANSPORTATION COMMISSION COMBINED MEETING:

Introductions - The Board welcomed the Transportation Commission to the afternoon session and thanked them for the chance to interchange thoughts and ideas pertaining to freight movement.

Chairman O'Neal and Commissioner Green started the afternoon with a brief history of the progress and direction of the FMSIB and the Transportation Commission, and some challenges each of the entities are working on.

Commissioners at the afternoon session were Commissioner Connie Niva, Snohomish County; Commissioner Edward Barnes, Clark County; Commissioner Tom Green, Chelan County; Commissioner Michele Maher, Spokane County; and Commissioner Aubrey Davis, King County.

Roles and Responsibilities - Chairman O'Neal introduced Mr. Jeff Doyle of the Legislative Transportation Commission, to speak on behalf of FMSIB. The idea for FMSIB started when the Legislature realized there were no policies developed for freight mobility. With that in mind the Legislature became interested in developing a freight mobility program. This gave the Legislature an opportunity to bring together various funding partners, state beneficiaries, and stakeholders to leverage the funds. The Legislature is now awaiting the Board's methodology for determining state share.

Mr. Chris Rose reported on the roles and responsibilities for the Transportation Commission. The Transportation Commission along with the Secretary of Transportation are responsible for overseeing WSDOT and for offering state transportation policies to the Legislature. WSDOT is responsible for setting a level of service standards. This will ensure free movement of people and goods on statewide highways. WSDOT has also been discussing investing in strategic freight corridors.

Strategic Freight Corridors - Mr. Greg Selstead, Assistant Planning Manager of the Transportation Planning Office, WSDOT, discussed the purposes and outcomes of the Freight Goods and Transportation System (FGTS). FGTS consists of state highways, county roads, and city streets. It reports technical data of freight and goods by the growth of freight truck movement. FGTS provides the basis for the recommendations of strategic freight corridors. In the Legislation it requires the Commission and FMSIB to designate and update the designated strategic freight corridors within the state every two years. Also a method of collecting and verifying data including city and county roads must be established. The FGTS classifications for annual tonnage's are T-1 through T-5 consisting of; T-1 being more than 10 million tons per year, T-2 being 4 million to 10 million per year, T-3 being 300 thousand to 4 million per year, and T-4 and T-5 remaining the same. With this updated information WSDOT has collected from all the entities, Mr. Selstead will identify the corridors that meet the criteria for strategic freight corridors at the next meeting of the Commission and Board. This will ensure that the same strategic freight corridors are adopted.

WSDOT Projects - Ms. Paula Hammond, Director of Highways and Local Roadways, WSDOT, explained the types of WSDOT projects that relate to freight mobility, and the Priority Programming System which assists WSDOT in selecting projects. Ms. Hammond also explained the various WSDOT programs (i.e., preservation, improvement, etc.) that are used in prioritizing.

Over the next two years WSDOT will be working on a methodology for the Commission to select projects that have an economic development focus. When looking at the freight mobility subprogram WSDOT considers mobility for people and goods. However, there isn't a big distinction between people and goods in WSDOT's prioritization process. The biggest factor is benefit/cost. Which changes as other partners contribute money into the projects, WSDOT's costs go down, and the project rises in the priority array. Therefore if FMSIB contributes funds into a WSDOT project it will move the project up on WSDOT's priority array.

Washington Transportation Plan - Mr. Charlie Howard, Planning Manager of the Transportation Planning Office, WSDOT, explained to the Board and the Commission the Washington Transportation Plan (WTP) and how it is used by WSDOT and the Commission.

FUTURE ITEMS: Chairman O'Neal stated that at the November meeting the Board will be adopting strategic freight corridors. There will be a report back from Mr. Malarkey on the State Share process. The Executive Director Subcommittee will report on their progress. Also in a prior meeting it was requested by members of the Board to have a chance to see the FAST Corridor projects. Chairman O'Neal suggested to interested members to see Mr. Ingham or Ms. Renee Montgelas to schedule their trip.

Chairman O'Neal and Commissioner Green thanked all the members for taking the time to see how each of their work reflects the other.

MEETING ADJOURNED 3:00 p.m.

A. DANIEL O'NEAL, CHAIRMAN

ATTEST:

DENNIS B. INGHAM, ACTING EXECUTIVE DIRECTOR